

2019R01466/LRH

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
v.	:	Crim. No. 22- 417 (JHR)
	:	
JOHN RYAN	:	26 U.S.C. § 7201

INFORMATION

The defendant having waived in open court prosecution by Indictment, the United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information, unless otherwise indicated:
 - a. Defendant JOHN RYAN (“RYAN”) was an independent financial planner and a resident of Moorestown, New Jersey. As a financial planner, RYAN helped broker sales between his clients and various financial businesses. These businesses, in turn, paid RYAN as an independent contractor. RYAN also received funds directly from clients when selling the products of financial businesses.
 - b. Consulting Business 1 was a financial business located in Hawley, Pennsylvania. Consulting Business 1 maintained a bank account (“Account 1”) over which RYAN had signature authority, and which he operated and controlled. RYAN was responsible for depositing cash generated by Consulting Business 1, as well as client funds intended for investment, into Account 1.
 - c. The Internal Revenue Service (“IRS”) was an agency of the United States Department of the Treasury, responsible for administering and enforcing the tax laws of

the United States and collecting the taxes that were due and owing to the Treasury of the United States by its citizens and businesses.

d. A U.S. Individual Income Tax Return (“Form 1040”) was the form filed by a taxpayer and used by the IRS to assess liability for personal income tax and eligibility for refunds.

e. Generally, individuals were required by law to prepare and file Form 1040 income tax returns with the IRS by April 15 of the year following the year when the income was earned unless an extension was granted. If those income tax returns showed that income taxes were due and owing, then the taxpayer was obligated by law to pay that sum of money to the IRS.

2. From in or about 2013 through in or about 2016, RYAN attempted to evade the assessment of federal income taxes by, among other things, writing checks made out to “Cash” from Account 1 for personal use. During that same time period, RYAN also wrote checks from Account 1 to third parties to pay his own personal expenses.

3. RYAN attempted to evade detection by the IRS by, among other things, using Account 1 as a personal account, from which he diverted client funds to pay his personal expenses, including mortgage payments, rent payments for a rental property, vehicle lease payments, country club membership fees, over approximately \$58,000 in restaurant bills and a gym membership. By using Account 1 for these expenses rather than his personal banking accounts, RYAN was able to conceal withdrawals of client funds that he converted to personal income. RYAN further attempted to evade detection by law enforcement authorities by limiting individual checks and withdrawals from Account 1 to amounts under \$10,000. RYAN also

failed to communicate with the IRS Civil Collections Division after failing to file tax returns for years 2013 through 2019.

4. Throughout the course of this scheme, for tax years 2013 through 2016, RYAN received in excess of approximately \$2,546,964.00 in income from Account 1 that he intentionally failed to report on his IRS Forms 1040, including approximately \$545,548.00 for tax year 2016. This resulted in substantial, unreported income taxes due and owing to the United States for each of these tax years, which, in total, exceeded approximately \$1,058,859.00.

5. Defendant RYAN purposely failed to report as income the cash skimmed from Account 1, on which he was required to pay federal income taxes.

6. On or about April 15, 2017, in Burlington County, in the District of New Jersey, and elsewhere, defendant

JOHN RYAN

did willfully attempt to evade and defeat a substantial personal income tax due and owing by him to the United States, for the tax year 2016, by using funds generated by Consulting Business 1, and client funds intended for investment with Consulting Business 1, to pay for his personal expenses, and by writing and cashing checks to himself from Account 1, and failing to file a U.S. Individual Income Tax Return, IRS Form 1040, for tax year 2016.

In violation of Title 26, United States Code, Section 7201.



PHILIP R. SELLINGER
United States Attorney